

**MEDIA RELEASE**

**Attention: News Director  
For Immediate Release  
January 24, 2007**



**U.S. DEPARTMENT OF JUSTICE  
DAVID L. HUBER  
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Western District of Kentucky**

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**LOUISVILLE MAN AND THREE INDIVIDUALS FROM CHICAGO  
INDICTED ON MORTGAGE FRAUD SCHEME ON CHEROKEE PARK HOME**

***- Quick action by Louisville Metro Police prevent novel fraud***

David L. Huber, United States Attorney for the Western District of Kentucky, announced today that on January 24, 2007, a federal Grand Jury in Louisville **returned an Indictment** charging **JAMES HARDISON**, age 21 of 8403 Robing Hill Drive, Louisville, Kentucky and **FREDDIE JOHNSON**, age 38, **WILLIE COLLINS**, age 75, and **MARILYN RAINEY**, age 59, all of Chicago, Illinois, with conspiracy to commit wire fraud and bank fraud in violation of 18 U.S.C. § 1349 and aggravated identity theft in violation of 18 U.S.C. § 1028A.

The Indictment alleges that **Johnson, Hardison, Rainey**, and **Collins** conspired together to steal the identity of the owner of 2411 Longest Avenue to facilitate two fraudulent loan closings on the property. **Johnson** recruited **Rainey** and **Collins** to participate in the scheme and drove them from Chicago to Louisville on several occasions. To effectuate their scheme, they also stole the identity of a Southern Indiana man so that **Hardison** could pose as a legitimate buyer at the closing, while **Rainey** posed as the actual owner of the property. Using these stolen identities, **Hardison**, and **Rainey** participated in two separate closings on this same property. At the first

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closing they were able to obtain approximately \$290,000 in loan proceeds. They attempted to obtain a second closing and loan on the property in approximately the same amount, but were arrested by the Louisville Metropolitan Police Department before they could withdraw these funds. U.S. Attorney Huber praised "the quick action by LMPD and the joint investigation with the U.S. Secret Service."

If convicted, the maximum potential penalties for **Collins** are 34 years imprisonment, a \$1,500,000 fine, and supervised release for a period of up to 5 years. If convicted the maximum penalties for **Hardison, Collins, and Rainey** are 32 years imprisonment, a \$1,250,000 fine, and supervised release for a period of up to 5 years.

The case is being prosecuted by Assistant United States Attorney Bryan Calhoun, and it was investigated by the United States Secret Service.

**Johnson, Hardison, Collins, and Rainey** are scheduled to appear for arraignment before the United States Magistrate Judge on February 20, 2007, at 9:15 a.m., in Louisville, Kentucky.

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The indictment of a person by a Grand Jury is an accusation only and that person is presumed innocent until and unless proven guilty.

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